

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

RECEIVED

APR 24 2001

Form C-101  
Revised March 17, 1999

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address <b>Amoco Production Company</b> <b>P.O. Box 3092 Attn: Mary Corley Rm 19.171</b> <b>Houston, TX 77253</b>		<sup>2</sup> OGRID Number <b>000778</b>
<sup>3</sup> Property Code <b>000570</b>	<sup>5</sup> Property Name <b>Gallegos Canyon Unit</b>	<sup>6</sup> Well No. <b>554</b>

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>13</b>	<b>28N</b>	<b>12W</b>		<b>1290</b>	<b>North</b>	<b>1090</b>	<b>East</b>	<b>San Juan</b>

<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>9</sup> Proposed Pool 1

**Basin Fruitland Coal**

<sup>10</sup> Proposed Pool 2

<sup>11</sup> Work Type Code <b>N - New Drill</b>	<sup>12</sup> Well Type Code <b>Gas</b>	<sup>13</sup> Cable/Rotary <b>Rotary/Top Drive</b>	<sup>14</sup> Lease Type Code <b>State</b>	<sup>15</sup> Ground Level Elevation <b>5603'</b>
<sup>16</sup> Multiple <b>No</b>	<sup>17</sup> Proposed Depth <b>1664'</b>	<sup>18</sup> Formation <b>Fruitland Coal</b>	<sup>19</sup> Contractor <b>Aztec</b>	<sup>20</sup> Spud Date <b>5/20/2001</b>

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
<b>(1) 8 1/2"</b>	<b>7"</b>	<b>23#</b>	<b>135'</b>	<b>115 5XS CLS B</b>	<b>Surface</b>
<b>(2) 6 1/2"</b>	<b>4 1/2"</b>	<b>10.5#</b>	<b>1664'</b>	<b>172 5XS CLS B</b>	<b>Surface</b>

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

OBJECTIVE: Drill 150' into the Pictured Cliffs, set 4 1/2" Casing to TD, Perf & Stimulate the Fruitland Coal interval. Run Cased Hole (GR-CCL-TDT) logs: TDT from PBTD. GR-CCL from PDTB to Surface.

(1) Circulate Cement to Surface

(2) Set Casing 150' below top of Pictured Cliffs.

Mud Program: 0' - 135' Type - Spud Weight 8.6 - 9.2  
135' - TD Type - Water Weight 8.6 - 9.2

The hole will require sweeps to keep unloaded while fresh water drilling. Let hole conditions dictate frequency  
Completion: Rigless, Single Stage Hydraulic Frac.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name: **Mary Corley**

Title: **Sr. Regulatory Analyst**

Date: **4/17/2001**

Phone: **281-366-4491**

OIL CONSERVATION DIVISION

Approved by:

Title: **DEPUTY OIL & GAS INSPECTOR DIST. 4**

Approval Date: **4-24-1**

Expiration Date: **APR 24 2002**

Conditions of Approval:

Attached

District I  
PO Box 1980, Hobbs NM 88241-1980  
District II  
PO Drawer KK, Artesia, NM 87211-0719  
District III  
1000 Rio Brazos Rd., Artesia, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

* API Number <b>30-045-30651</b>		* Pool Code <b>71629</b>	* Pool Name <b>Basin Fruitland Coal</b>
* Property Code <b>000570</b>	* Property Name <b>GALLEGOS CANYON UNIT</b>		* Well Number <b># 554</b>
* OGRID No. <b>000778</b>	* Operator Name <b>AMOCO PRODUCTION COMPANY</b>		* Elevation <b>5603</b>

**10 Surface Location**

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>A</b>	<b>13</b>	<b>28 N</b>	<b>12 W</b>		<b>1290</b>	<b>NORTH</b>	<b>1090</b>	<b>EAST</b>	<b>SAN JUAN</b>

**11 Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

* Dedicated Acres <b>5260320</b>	* Joint or Infill	* Consolidation Code	* Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>16</p> <p>5283</p> <p>1290'</p> <p>1090'</p> <p><b>RECEIVED</b> APR 24 2001 <b>OIL CON. DIV.</b> <b>REG 3</b></p> <p>5284</p>	<p><b>17 OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature: <i>Mary Corley</i> Printed Name: <b>MARY CORLEY</b> Title: <b>SR. REGULATORY ANALYST</b> Date: <b>2-26-2001</b></p>	
	<p><b>18 SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>September 24, 1999 Date of Survey</p> <p>Signature and Seal of Registered Surveyor <i>GARY ANN</i> <b>NEW MEXICO</b> <b>REGISTERED PROFESSIONAL LAND SURVEYOR</b> <b>7016</b></p> <p>7016 Certificate Number</p>	

**Amoco Production Company  
BOP Pressure Testing Requirements**

Well Name: Gallegos Canyon Unit 554

County: San Juan

State: New Mexico

Formation	TVD	Anticipated Bottom Hole Pressure	Maximum Anticipated Surface Pressure **
Ojo Alamo	Surface		
Kirtland	444		
Fruitland Coal	1154		
Pictured Cliffs	1514		

\*\* Note: Determined using the following formula:  $ABHP - (.22 * TVD) = ASP$

<b>Requested BOP Pressure Test Exception: 750 PSI</b>
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**SAN JUAN BASIN  
Pictured Cliffs Formation  
Pressure Control Equipment**

**Background**

The objective Pictured Cliffs formation maximum surface pressure is anticipated to be less than 1000 PSI, based on shut-in surface pressures from adjacent wells. Pressure control equipment working pressure minimum requirements are therefore 2000 PSI. Equipment to be used will conform to API RP-53 (Figure 2.C.2) for a 2000 PSI system per Federal Onshore Order No. 2. Due to available conventional equipment within the area, 3000 PSI rated pressure control equipment will typically be utilized in a double ram type arrangement. Regional drilling rights to be utilized have substructure height limitations which exclude the use of annular preventers; therefore a rotating head will be installed above these rams. This pressure control equipment will be utilized for conventional drilling below conductor to total depth. No abnormal temperature, pressure, or Hydrogen Sulfide gas is anticipated.

**Equipment Specification**

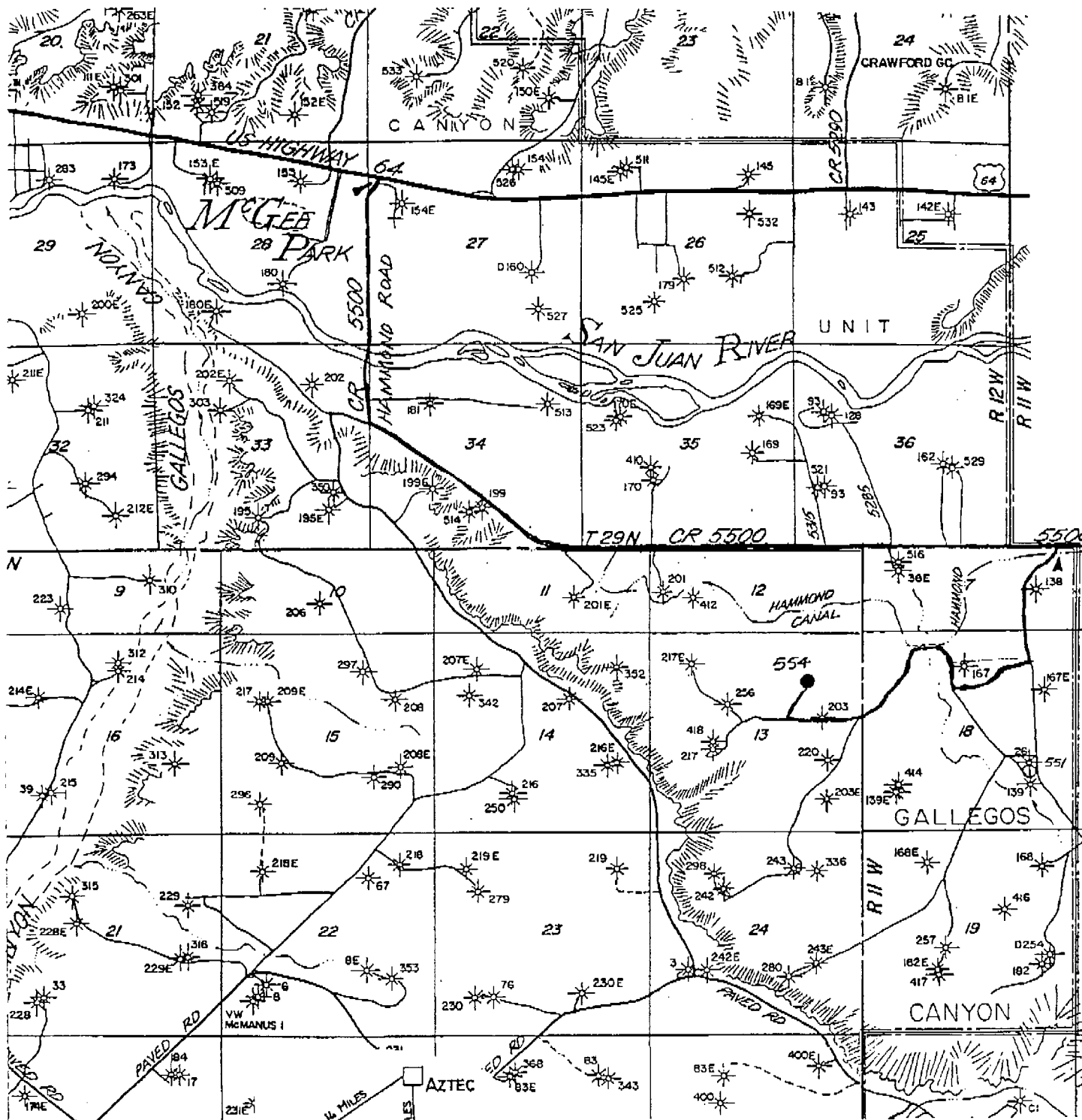
**Interval**

**BOP Equipment**

Below conductor casing to total depth

11" nominal or 7 1/16", 3000 PSI double ram  
preventer with rotating head.

All ram type preventers and related control equipment will be hydraulically tested to 250 PSI (low pressure) and 750 PSI (high pressure), upon installation, following any repairs or equipment replacements, or at 30 day intervals. Accessories to BOP equipment will include Kelly cock, upper Kelly cock with a handle available, floor safety valves and choke manifold which will also be tested to equivalent pressure at the appropriate intervals.

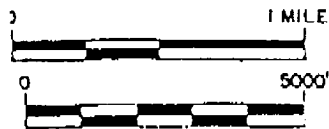


14 MILES  
6.3 MILES  
13 MILES  
AZTEC  
FARMINGTON  
BLOOMFIELD

2.7 MI. CR 5500  
HAMMOND ROAD

LAT: 36°39.9'  
LONG: 108°03.5'

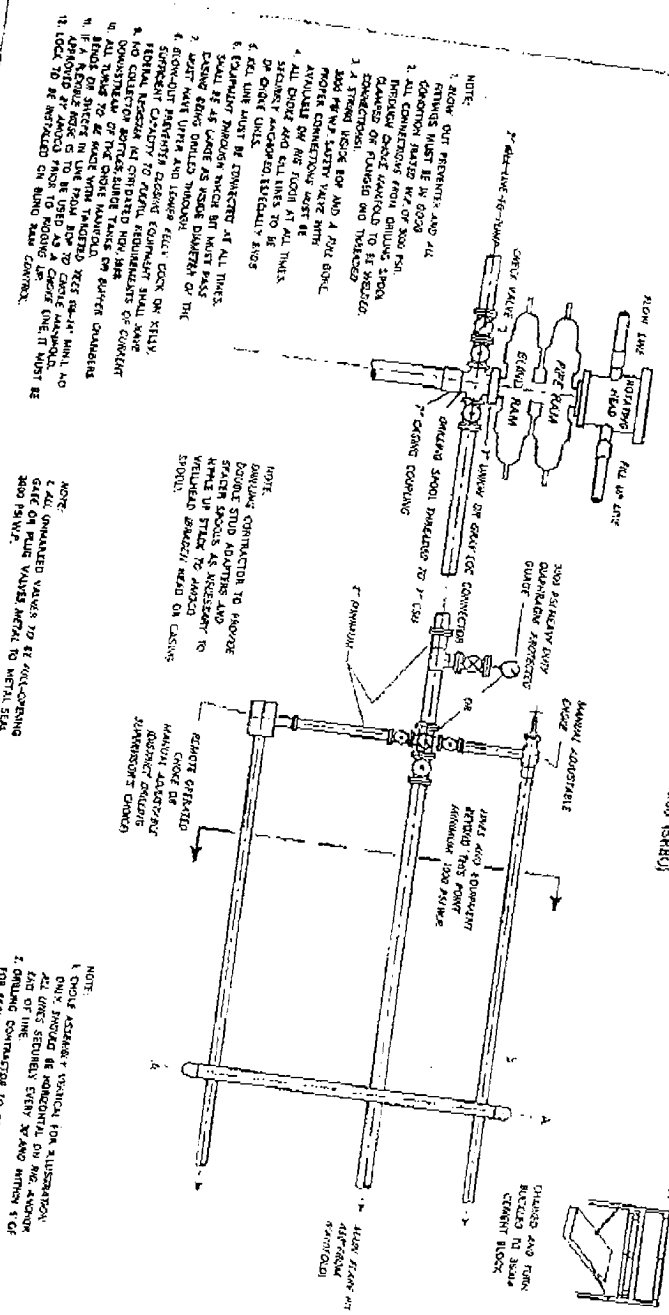
AMOCO PRODUCTION COMPANY  
Gallegos Canyon Unit # 55  
NE 1/4 Sec. 13, T28N, R12W, NMPI  
RAIL POINT:



T-341 P.005/006 F-493

Jun-26-2001 11:05am From-BP AMOCO

### 1/4" OR 1" NOMINAL 3,000 PSI W.P. TYPICAL ORCA / MESSERDA AIR / MID (SRGJ)



NOTE:  
1. CHIEF ASSISTANT VERTICAL FOR ILLUSTRATION  
ONLY SHOULD BE NONCONTROL ON RIG. AVOIDANCE  
ALL GATES SECURELY EVERY 30 AND WITHIN 5 G  
2. DURING CONTRAST TO BE RESPONSIBLE  
FOR MONITORING ALL GATES AND VALVES.

NOTE:  
2 ALL UNPAID VALVES TO BE FULLY OPENING  
GATE OR PLUG VALVES, METAL TO METAL SEAL.  
3000 PSI W.P.

NOTE: DURING CONTRACTOR TO PROVIDE  
BOULDER STUD ADAPTERS AND  
WHEEL UP TILTS AS NECESSARY TO  
VENTILATE BRACKEN HEAD ON CASING  
SPOOL.

[illegible]